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Carnahan: 'Small Businesses Are the Engine of Our Economy'

(WASHINGTON, DC) - Congressman Russ Carnahan (MO-3) urged colleagues to spark job creation by voting for the Small Business Jobs and Credit Act, which bolsters three separate programs designed to increase small business lending, helping small businesses hire new workers and expand their operations.

"Small businesses are the engines of our economy. Their success is critical to our economic recovery and long-term economic growth," Carnahan said. "Government can't do everything. But we can and should empower the businesses and entrepreneurs who make our regional economy go by creating favorable conditions for businesses to grow and put people back to work."

Carnahan has held dozens of meetings with small business owners throughout the 3rd Congressional District in recent months. In April, he hosted a small business workshop where area business owners and entrepreneurs received hands-on guidance from representatives from the Small Business Administration, Internal Revenue Service, Small Business Development Centers, Service Corps of Retired Executives, Veteran's Business Center and the U.S. Department of Commerce.

The workshop offered presentations about existing tax breaks, loan assistance and other resources available to small businesses, as well as individual breakout sessions to help small businesses learn more about government contracting and how to reach new markets and increase sales by exporting their products. Early next month Carnahan will host another small business workshop.

"When I talk to small business owners back home, the number one issue they identify as an obstacle to hiring people is access to credit," Carnahan said. "We must address this issue so we can get our small businesses growing and get people back to work."

The Small Business Jobs and Credit Act:

- Creates small business loan fund to boost bank lending
- Provides additional funding for new or existing state lending programs
- Provides financing to support early stage small businesses

These initial down payments by the government are designed to spark private investment from lenders leveraging up to \$300 billion in loans for small businesses and are fully paid for saving taxpayers \$1 billion as banks are to repay funds over 10 years.

"We need a comprehensive approach to job creation - one that focuses on getting people back to work quickly while also building long-term economic strength," Carnahan said. "Small businesses are a critical component to that effort. Sixty percent of new jobs are created by small businesses, so we have to make sure we're doing everything we can to allow them to succeed and hire more people."

In February, Carnahan released a strategic regional jobs plan that identifies several key steps needed to spur small business job growth, including freeing up credit and providing tax incentives for small businesses. Yesterday, Carnahan helped the U.S. House pass the Small Business Jobs Tax Relief Act, which eliminates capital gains tax for investment in small business and allows increased deduction for start-up expenditures.

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